REMARKS

In the Office Action mailed August 18, 2008, the Examiner noted that claims 1-4, 8-17, 19, 20 and 22 were pending, that claims 5-7, 18 and 21 have been withdrawn from consideration, and rejected claims 1-4, 8-17, 19, 20 and 22. Claims 1, 8, 9, 12, 13, 15-17, 19, 20 and 22 have been amended, and, thus, in view of the forgoing claims 1-4, 8-17, 19, 20 and 22 remain pending for reconsideration which is requested. No new matter has been added. The Examiner's rejections and objections are traversed below.

On page 8 of the Action the Examiner rejected claims 19 and 20 as non-statutory. These claims have been amended in view of the Examiner's comments and it is submitted that these claims are statutory. Withdrawal of the rejection is respectfully requested.

Pages 2, 3 and 4 of the Action object to the drawings, object to the specification and reject the claims under 35 USC 112, 1st paragraph as introducing new matter that is not supported by the written description as originally filed. In particular, the Examiner objects to the feature reciting "a circuit that bypasses keyboard signals and mouse signals, supplied via the network to said selected terminal, such that the keyboard and mouse signals are not compressed" - claim 1. Essentially the Action asserts that the above noted feature is not supported by the application as originally filed. Contrary to the Action's assertion, the phrase is supported. In particular, figure 1 shows a microcomputer (circuit) 16 that is used for controlling the keyboard 21 and mouse 20 (see application page 8, line 35-page 9, line 3) and that causes signals from the mouse 20 and keyboard 21 to bypasses the video compression of circuits 11A and 11B as the signals travel to and from the network 32. Withdrawal of the objections and rejection is requested.

On page 4 the Action rejects claims 1, 4, 8, 9, 11-13, 15-17, 19, 20 and 22 over Biederman by taking Official Notice. The Action acknowledged that Biederman does not teach the circuit of claim 1 and uses Official Notice to assert such is well known. The Action attempts to support the Official Notice by citing several references as evidence: Odryna - US 2002/0143996, Thomas - US 6,681,250, Pinkston US 6,378,009, Coleman - US 2004/0042547 and Perholtz - US 5,732,212.

Odryna, Thomas and Pinkston do not discuss compression and thus are not particularly relevant to claim 1 that calls for compression along with the bypass circuit.

Coleman does compress the keyboard and mouse signals, contrary to the assertion of the Examiner, as shown by figure 1A and discussed in paragraphs 81 and 112, among others.

Perholtz is directed to a system in which a host PC analyses a raster signal and converts it into digital character codes that are transmitted to a remote PC and used to reproduce the raster video on the remote PC, such that the image on the remote is "substantially the same". The remote PC can control the host, and keyboard and mouse signal do not travel over a network but rather travel over direct lines or a modem link. The remote PC can control multiple host PCs that are daisy chained over a single telephone line. That is, Perholtz does not teach or discuss a switching device for computers connected over a network where video image signals are compressed. Although Perholtz discusses the conversion of raster signals to digitals codes, this is not a typical image compression where the video signal is degraded.

It is submitted that the Official Notice assertion made by the Action is not supported by the evidence. Withdrawal of the rejection for this reason is requested.

For at least the above-discussed reasons, the Action has failed to establish a case of *prima facie* unpatentability, in view of the alleged Official Notice evidence. Based on the reasons presented above showing the errors in the rejection, Applicants respectfully request (i.e., the Demand) that references teaching or suggesting the alleged well known Officially Noted evidence, along with an Examiner's affidavit describing the personal knowledge of the Examiner relied on specifically in making the rejection (see 37 C.F.R. section 1.104(d)(2)), be presented in the next Action.

As noted above, the Examiner acknowledges that Biederman does not teach a system where image compression occurs but where there is no compression of mouse and keyboard signals.

Compression of image data degrades the image data which in certain circumstances is acceptable. However, it is not acceptable for a relative mouse coordinate data signal to be degraded as a mouse signal will lose information needed to know the relative position of the mouse as compared to the previous position. A similar problem exists for keyboard data and it cannot be compressed. The present invention recognizes and solves this problem. Biederman and the other prior art do not. Claim 1 has been amended to clarify that the system results in compressed video signals ("compressing image signals outputted from the computers" while at the same time not compressing the keyboard and mouse signals ("causes keyboard signals and mouse signals supplied via the network to said selected terminal to bypass the image

compression circuit, such that the keyboard and mouse signals are not compressed, while the image signals supplied from the selected terminal to be sent to the network are compressed by the image compression circuit"). Similar features are recited in independent claims 8, 9, 12, 13, 15-17, 19, 20 and 22.

The dependent claims depend from the above-discussed independent claims and are patentable over the prior art for the reasons discussed above.

It is submitted that the claims satisfy the requirements of 35 U.S.C. 112 and 101. It is further submitted that the claims are not taught, disclosed or suggested by the prior art. The claims are therefore in a condition suitable for allowance. An early Notice of Allowance is requested.

If any further fees, other than and except for the issue fee, are necessary with respect to this paper, the U.S.P.T.O. is requested to obtain the same from deposit account number 19-3935.

Respectfully submitted,

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Date: November 18, 2008

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